

period of debarment, suspension, voluntary exclusion or status as ineligible. Prior to approval for admission to the 8(a) program, the applicant must certify that both the applicant concern and the disadvantaged individual(s) upon whom eligibility is based are not at that time debarred, suspended, voluntarily excluded or otherwise ineligible.

(d) *Non-profit organizations.* A non-profit organization does not meet the general definition of a concern as set forth in part 121 and §124.100 of these regulations and is, therefore, ineligible for 8(a) program participation. In addition, a business entity owned by a non-profit organization is not eligible for 8(a) program participation because such a concern does not meet the requirement of being owned and controlled by disadvantaged *individuals*. Nothing in this paragraph affects the eligibility of a for-profit concern owned and controlled by an Indian tribe, including an Alaskan Native Corporation, a Native Hawaiian Organization or a Community Development Corporation (see §§124.112, 124.113 and 124.114).

(e) *Concerns owned by other disadvantaged concerns.* A concern which is owned in whole or in part by another business concern and relies on the disadvantaged status of that concern to claim disadvantaged status is ineligible for 8(a) Program Participation and for participation in the Defense Department's Small Disadvantaged Business program (Pub. L. 99-661, section 1207(a)) and the section 8(d) Subcontracting Program, (15 U.S.C. 637(d)). These types of businesses do not meet the individual disadvantaged ownership requirements of the Small Business Act and these regulations as set forth in §124.103.

[54 FR 34712, Aug. 21, 1989, as amended at 55 FR 34902, Aug. 27, 1990; 60 FR 29975, June 7, 1995]

**§ 124.110 Program term.**

(a) Each concern certified for program participation on or after November 15, 1988, is subject to a Program Term of nine years from the date of such certification. The term will consist of two stages: the developmental stage and the transitional stage, which are described in §124.303. Nothing in

this subsection shall be construed to limit SBA from initiating graduation, termination or suspension actions pursuant to §§124.208, 124.209 and 124.211 or to prohibit a Participant from voluntarily withdrawing from the program.

(b) A concern is subject to a revised Program Term if the following conditions are met:

(1) The concern was a Program Participant as of September 1, 1988 or was approved for 8(a) Program Participation between September 1, 1988 and November 15, 1988; and

(2) The concern did not voluntarily withdraw from the 8(a) program and was not graduated or terminated pursuant to §§124.208 and 124.209 between September 1, 1988 and November 15, 1988.

(c) The revised Program Term shall be the greater of nine years from the date of the Participant's first contract pursuant to section 8(a) or the Participant's Fixed Program Participation Term (FPPT) expiration date, including any extension thereof, plus 18 months.

(d) Once a Program Term has been established or revised in accordance with this section, SBA is statutorily prohibited from extending such term beyond the specified expiration date.

[54 FR 34712, Aug. 21, 1989, as amended at 55 FR 34902, Aug. 27, 1990]

**§ 124.111 Continued 8(a) program eligibility.**

(a) *Standards.* (1) Except as set forth in paragraph (a)(2) of this section, in order for a concern to remain eligible for 8(a) program participation, it must continue to meet all eligibility criteria contained in §124.101 through §124.109. Failure to do so may cause SBA to initiate a graduation or termination proceeding in accordance with §§124.208 and 124.209.

(2) In order for a Program Participant to maintain continued 8(a) program eligibility, the net worth of an individual claiming to be socially and economically disadvantaged cannot exceed \$750,000, as calculated pursuant to §124.106(a)(2)(i). An individual whose personal net worth exceeds \$750,000, as calculated pursuant to §124.106(a)(2)(i), will not be considered economically disadvantaged.